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ABSTRACT

So that New York City could build on the experiences of other large cities as it implemented Performance Driven Budgeting (PDB) in the schools, a study was conducted of the school based budgeting training in Los Angeles, Chicago, and Denver. These districts have from 6 to 10 years experience in site-based budgeting. The study is based on interviews with reform office staff and budget office directors, as well as principals, teachers, leadership team parents and staff members, district budget trainers, and external training program directors and trainers. Training materials and training evaluations were also examined. Descriptions of the programs in the three cities resulted in the identification of five key practices for model training: (1) institutional support for site-based decision making; (2) comprehensive training and information programs; (3) accessibility of training; (4) understandable training and materials; and (5) external training and technical assistance. The lesson that can be drawn from New York City is that the task is large and requires good decision making and substantial amounts of time. Training for all parent and community members is critical, and trainers need to help school leadership teams review all their schools' resources. (SLD)



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Preparing for Decision-Making:

Training for Effective School-Based Budgeting in Los Angeles, Chicago, and Denver

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Cross City Campaign for Urban School Reform

May, 1999

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New York University's Institute for Education and Social Policy works to strengthen public education in New York City and other urban areas, particularly in low-income neighborhoods and communities of color. Through our policy studies, research, technical assistance and evaluations, we help build capacity for school improvement and reform among policy-makers, educators, parents and community groups. Because we believe that good public education is key to a more effective democracy, we work to increase support for urban public schooling, and to expand the school improvement strategies of government agencies and non-profit organizations.

Preparing for Decision Making:

Training for Effective School-Based Budgeting in Los Angeles, Chicago and Denver

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The Cross City Campaign for Urban School Reform is a strategic and active network that enables reform leaders from inside and outside school systems to share information, mount collective efforts and create a national voice for urban schools. Cross City is committed to fundamental improvement of public education so that all urban children and youth are well prepared for post-secondary education, work and citizenship.

The Cross City Campaign has organized five North American conferences (two in Edmonton, Alberta, Canada) on school based budgeting and student achievement that involved policy makers, school practitioners, parents and community members. The Campaign also co-sponsored an international conference with the Edmonton Public Schools, held in Edmonton.

INTRODUCTION

In September, 1996, New York City Schools Chancellor Rudolph Crew introduced Performance Driven Budgeting (PDB), a form of decentralized budgetary decision-making intended to "provide local educators with increased control and flexibility over the use of resources so that they could engage in more creative program development, more effective problem solving, and more efficient use of resources to improve student performance." His plan established a framework of goals and principles for PDB and outlined a three-to five-year phased-in implementation process that would culminate in the participation of all the City's schools.

New York University's Institute for Education and Social Policy began a comprehensive evaluation of PDB in October, 1997. In November, 1998, the Institute published its *First Annual Report: Evaluation of the Performance Driven Budgeting Initiative of the New York City Board of Education*. That report recommended three kinds of training for school leadership teams -- training on what teams need to know in order to function, training on how to do instructional planning, and training on budget and finance.

To build on the experiences of other large cities, the Institute commissioned the Cross City Campaign for Urban School Reform to report on school based budgeting training in Los Angeles, Chicago and Denver. These districts have from six to ten years of experience in site-based budgeting.

This study is based on interviews with reform office staff and budget office directors from central and regional/cluster offices in the three cities, as well as principals, teachers, leadership team parent and staff members, district budget trainers, and external training program directors and trainers. The authors attended budget workshops in all three cities and examined their training materials, manuals and evaluations.

The study also benefits from the authors' 15 years of experience in monitoring budgets, creating budget training materials and workbooks, and developing and conducting budget workshops for school leadership team members, parents and school staff.

I. SCHOOL-BASED BUDGETING IN LOS ANGELES, CHICAGO & DENVER

LOS ANGELES UNIFIED SCHOOL DISTRICT (LAUSD)

LEARN (Los Angeles Educational Alliance for Restructuring Now) is LAUSD's systemic restructuring process. LEARN started in 1991 when a coalition of over 200 education, civic, business, labor and community organizations came together with LAUSD administrators, school staff, parents and board members to shape the LEARN agenda. The full plan was adopted in 1993, and thirty-six schools volunteered to be initial LEARN schools. There are now 327 LEARN schools.

1997-98 School Year

Student population Pre K-12	Total Budget (1999)	Student Demographics	School Leadership Team Composition
710,000 students 641 schools in 27 clusters	\$6.53 billion	Latino 71% African American 14% White 11% Asian/Native 5% Free/Reduced Lunch 75%	Schools vote on LEARN governance council model. Could be 50% teacher and 50% parent, community, classified staff (non-teacher). Principal and lead teacher are co-chairpersons.

1. School Budget Authority

LEARN schools can make collaborative decisions about every aspect of their operations. Authority over school resources is a key component of LEARN. The process is focused on one goal — improving student learning. The budgeting component gives LEARN schools enhanced authority and flexibility in the use of their basic funds and some state categorical funds. LEARN leadership teams can also control other funds if relevant school groups (e.g., Federal Title I parent advisory councils) vote their approval.

2. Systemic Support Structure

A new central office department was created to oversee the LEARN process and provide training and support for LEARN schools. The School Reform office, formerly the LEARN office, also oversees other reform programs. The School Reform office staff works with the school-based budget office, a separate unit within the central budget department that works with LEARN schools. LEARN budget support is also provided through 33 cluster fiscal specialists in the 27 cluster offices.

3. School System Training Components

Management/Leadership Training: Principals and lead teachers (teacher's union building chairs) in new LEARN schools participate in 18 months of *Transformational*

Leadership training provided by UCLA. The program focuses on building capacity to lead change, looking at what teachers do in the classroom that improves learning and what doesn't, and how to change behaviors and strategies to improve student achievement. There is heavy emphasis on what both principals and teachers believe and do. The program consists of:

- 3 weeks of residential training the first summer
- 4 weekend retreats during the school year
- 8 professional development workshops during the school year
- 1 week residential training the second summer

Instructional Transformation Training: There is a two year on-site *Instructional Transformation* program supported by one of four external partners assigned to new LEARN schools.¹ External partners work with Instructional Transformation Teams (ITTs) -- the governance council co-chairs (principals and lead teachers), additional teachers, classified staff and a parent -- to assess needs, clarify goals, and create an instructional site action plan. The ITT writes a site action plan the first year. In the second year, the partners help the team implement the plan and analyze student and school data to evaluate progress. The relationship between the school governance council and the ITT is not clear.

The program consists of:

- Semi-monthly meetings during the school day
- 12 hours of training/support a month provided by the external partners

Ongoing Training: After the initial 18 months, workshops are provided for governance council co-chairs:

- Council co-chairs can attend monthly citywide leadership development training provided by UCLA and the School Reform office
- "Retro" training (for LEARN principals and lead teachers who joined the school after the initial 18 months of training) includes four one-day conferences and three weekend retreats covering current educational research and organizational culture

¹The four partners are Action Learning Systems, Coalition of Essential Schools, Educate and Los Angeles Educational Partnership. Both UCLA and these external partners provide some training to non-LEARN schools, but on a much reduced level.

Budget Training and Information: Training for LEARN schools is provided by the coordinated efforts of the School Reform office, the school based budget office and the cluster offices. The teams who receive the training generally include the principal, two teachers, one parent, and one classified staff. The training consists of two related, day-long citywide budget workshops for new LEARN schools: January, technical budget information; February, linking budgets to student achievement. Other budget training and information:

- Spring cable TV show with overview of school allocations for next year and other budget news
- Two budget manuals per LEARN school
- Fiscal inservices for all principals and office staff on issues such as payroll, purchasing, etc.

Budget Training from Outside Provider Groups: There is none.²

Ongoing Support and Technical Assistance: The 33 cluster fiscal specialists answer day-to-day questions and provide on-site, one-on-one training for school office staff.

General Parent Training: Two outside provider organizations offer workshops to all parents in LEARN schools on parent involvement and some leadership development.

CHICAGO PUBLIC SCHOOLS (CPS)

In December 1988, the Illinois General Assembly passed the Chicago School Reform Act that created parent majority Local School Councils (LSCs) with considerable authority, including the power to hire and fire principals. The law gave principals greater authority over hiring teachers and gave principals and teachers responsibility over curriculum and instruction.

1997-98 School Year

Student population Pre K-12	Total Budget (1999)	Student Demographics	Leadership Team Composition
428,000 students 567 schools in six sub- regions	\$3.9 Billion	African American 54% Latino 33% White 10% Asian/Native 3% Free/Reduced Lunch, 83%	Local School Councils: 6 parents, 2 teachers, 2 community, 1 principal, and 1 student at high school Only parents can be chairpersons.

² The one exception is the teacher's union elementary vice-president, who provides budget help to teachers. She conducts on-site workshops in the spring and holds a large fall meeting on Essential Budget Training, open to all. She also posts important budget information on the union's web page.

1. School Budget Authority

As part of the 1988 law, LSCs are to help develop and must approve their annual school improvement plans and budgets. The law shifted significant state compensatory funds directly to the schools, substantially increasing discretionary dollars each school council could spend, along with greater freedom to determine how the money is spent. LSCs have authority over basic funds, state, and federal categorical dollars.

2. Systemic Support Structure

The Department of Schools and Community Relations is responsible for working with local school councils, providing them with an LSC handbook, and overseeing their mandated training. The department supports LSC operations, elections and training and is staffed by six facilitators who work with LSC members in each of six regions.

3. School System Training Components

Mandated Training: Since 1995, new LSC members, except principals, are required to take 18 hours of training. Training must be completed within six months of taking office or members face removal. Training is conducted by central and regional CPS staff, facilitators from Schools and Community Relations, and outside provider groups contracted by CPS. The first six lessons (12 hours) are spelled out in law, the other six hours are flexible. The 12 mandated hours are:

Roles and Responsibilities of the Local School Council	2 hours
Working Together for Effective Results	2 hours
School Improvement Planning	4 hours
Budget	2 hours
Principal Evaluation and Selection	2 hours

Ongoing Training: There is no CPS training provided for experienced LSC members.

Budget Training and Information: Along with mandated budget training for new LSC members, the system provides support to principals and school office staff:

- Annual workshop at central office on technical aspects of site-based budgeting
- Budget manuals for every LSC member are sent to the schools
- For the 63 pilot schools that gained greater flexibility, central office staff trains them how to do budget modifications, school-level purchasing and creating of new positions in the system.

Budget Training from Outside Groups: Several non-profit reform and community groups provide varying amounts of free budget training, usually for parents and community members. Some community groups provide training to a limited number of schools with whom they work. Two outside provider organizations include budget workshops in

their annual citywide conferences. At least one non-profit reform group provides ongoing and advanced budget training on-site for experienced council members.

Ongoing Support and Technical Assistance: Six regional budget managers provide day-to-day technical support to principals and school office staff. They also provide technical assistance to new principals.

THE DENVER PUBLIC SCHOOLS (DPS)

In 1991, after a long Denver teachers' strike, Colorado's governor mediated a new teachers' union contract that mandated the creation of Collaborative Decision-Making teams (CDMs) in every Denver public school. The CDM's primary responsibility is the school improvement planning process. CDMs have decision-making authority regarding teaching personnel, student conduct policies, and community involvement programs.

1997-98 school year

Student population Pre K-12	Total Budget (1999)	Student Demographics	Leadership Team Composition
68,000 students 116 schools	\$595 Million	Latino 48% White 25% African American 21% Asian/Native 5% Free/Reduced Lunch 64%	CDMs have 4 parents, 4 teachers, 1 classified, 1 business or community, 1 principal, 2 students in middle and high schools. Any member can be elected chair.

1. School Budget Authority

The purpose of the CDMs is to allow school communities to focus on student achievement by giving them the authority and responsibility for developing and approving the local school budget and helping to design the instructional program. CDMs have authority over basic funds and some state categorical dollars. The School Improvement Accountability Council (SIAC), a previously mandated district body, was incorporated into the CDM office.

2. Systemic Support Structure

The CDM/SIAC office was created in 1996 to assume responsibility for supporting and monitoring CDM operations. This new office assumed many of the training activities that had been provided by the Center for Quality Schools, a non-profit organization that no longer exists. The citywide CDM Improvement Council reviews the roles and operations of the CDMs to help them achieve their goal of improving student achievement. The citywide council is also responsible for providing resources for facilitation and technical assistance and overseeing the implementation of the CDM

training programs. Two CDM budget guidance manuals are sent to the schools for principals and CDM chairs.

3. School System Training Components

CDM Training:

- The district provides a large fall workshop for CDMs on team building, conflict resolution, problem solving, school improvement planning, budgets, standards and CDM roles and responsibilities.
- The district also provides a school improvement planning workshop in the spring for principals.
- Each spring a Budget Office trainer walks CDM members through the budget manual, enrollment projections and allocation formulas. Principals get the same training separately.
- 15 schools have thus far participated in a one hour, on-site training on team building provided by staff from CDM/SLAC.

Ongoing Training: The only training for experienced CDM members is for principals. Training consists of updates from the previous budget manual.

Budget Training from Outside Provider Groups: There is none.

Ongoing Support and Technical Assistance: Four analysts in the central budget office provide technical assistance on all funds except Federal Title I and Bilingual. Federal Title I and Bilingual funds are handled by two other offices. Other technical assistance:

- Training for office staff on using the new information system — tracking expenditures, running reports, and balancing local budgets
- Fall training on the Business and Finance Procedures Manual

II. KEY PRACTICES OF EFFECTIVE TRAINING

School-based budgeting requires new roles and responsibilities at the school level and equally important changes at the district level. For site-based budgeting to affect school change, leadership teams need information and skills to make informed spending decisions that support their school's instructional plan. In this study we look at three public school systems with multiple years of experience in training school decision-making teams that have authority to develop and approve their annual school budgets.

We identified five key practices that are critical for successful and effective training. These five practices are drawn from interviews of Los Angeles, Chicago and Denver educational practitioners; the budget training workshops we observed in each city; relevant documents we have read; and what we have learned about budget training from 15 years of school and district level practice. The discussion starts by describing what a model practice would look like, and is followed by what actually takes place in the three cities. The five key practices are:

- 1) Institutional support for site-based decision-making
- 2) Comprehensive training and information programs
- 3) Accessibility of training
- 4) Understandable training and materials
- 5) External training and technical assistance

1. INSTITUTIONAL SUPPORT FOR SITE-BASED DECISION-MAKING

Significant changes in policies, practices and perceptions throughout each layer of the school system are required for school-based budgeting to be part of an overall reform strategy.

Model Practices

Educational systems committed to school-based decision-making are led by superintendents and high level administrators who believe that the best decisions are made closest to students. The leadership's actions reflect their rhetoric. They consistently and publicly convey their belief in the important role of school leadership teams in affecting school-based reform. Rather than relegating the responsibility to work with school teams to a small department isolated from systemwide school reform efforts, a high-level district staff person oversees leadership team training and support and works collaboratively with operational and instructional departments to integrate and institutionalize school-level decision-making teams into the district's school reform

effort. There are regular forums for school level feedback to identify obstacles and needed improvements. Cross-functional teams from various departments meet regularly with school level representatives to identify obstacles to effective school decision-making and to identify how centralized authority and resources can be further devolved to the schools. Considerable monetary and staff resources as well as time are invested in building the capacity of team members to carry out their leadership responsibilities.

Los Angeles

Of the three districts we studied, Los Angeles provides the best example of strong institutional support for devolving authority and resources to the schools. LAUSD's budget training materials and citywide workshops, under the leadership of the School Reform office, have strong and consistent messages from the superintendent making clear that transferring budget authority and decision-making to those closest to the delivery of services is directly linked to improving the education of students. The chief financial officer, high level staff from the departments of instruction and budget, as well as the cluster office directors, share a common vision of school-based decision-making. The director of the School Reform office is an assistant superintendent who is an essential player in the district's school-based reform process.

LAUSD has created several mechanisms to ensure integration and provide feedback and critical review of its efforts. One result is that each year, more centralized resources are devolved to the school site. LAUSD mechanisms include:

- The School Reform office holds monthly meetings with the training partners (UCLA, the four external partners and two parent focused training organizations) and with staff from the offices of instruction, standards and budget.
- Budget workshops are a joint effort of the School Reform office, the school-based budget office and the cluster offices.
- The School Reform office hosts monthly Budget Task Force meetings to help the task force members identify obstacles standing in the schools' way and to examine and recommend further budget decentralization. The task force consists of School Reform staff, principals, a parent and a classified staff member, staff from the clusters and school-based budget office, a teachers' union officer, the CFO, and the superintendent.
- A principals' finance group meets monthly to give feedback and to problem-solve with cluster directors, the CFO, budget staff, and principals representing the different levels and types of schools.

LAUSD spends eight million dollars a year for training, supporting the School Reform office, and evaluating the LEARN process. Most of this money is focused on the 327 LEARN schools. The eight million dollars does not include the cost of cluster fiscal specialists or the school-based budget staff.

Chicago

The Department of Schools and Community Relations is responsible for overseeing the Local School Councils' mandated training, and focuses primarily on parent and community council members. The director is a former LSC member. The department also provides support to a 15-member Local School Council Advisory Board. Nine members of the board are selected by the Mayor, including the chairperson, and six members are elected by the local school councils — one member per sub-region. The department also provides a useful LSC handbook that outlines LSC powers and duties and lists outside groups that provide training. However, much of department's work is centered on assuring LSC members' compliance with the rules and requirements of the site-based processes. Unlike LAUSD, this department has no formal connections to district offices responsible for instructional reform strategies. Consequently, top CPS administrators and school board members may not view LSCs as essential partners in improving teaching and learning.

Chicago's budget department has always provided support to LSCs and principals but that relationship exists because of the leadership of some budget staff members rather than because of cross-departmental linkages.

Denver

The three person CDM/SIAC office was created five years after CDMs were mandated and is directed by a former CDM member. The office oversees CDMs and, like its Chicago counterpart, concentrates on parent and community team members. This department provides a CDM handbook outlining CDM roles and responsibilities. Denver, like Chicago, has a citywide leadership council representing local CDMs. CDM team members do not feel that the citywide leadership council is effective in representing and advocating for their views.

The CDM/SIAC office focuses on assuring CDM members' compliance to appropriate rules and regulations rather than on assisting team members in building their leadership capacity. We found no formal connections between the office's work with CDMs and district-wide reform or school improvement strategies. As in Chicago, this office seems to be an isolated department responsible for working with leadership

teams, rather than an office that coordinates the work of school governance councils and the system's school reform efforts.

The budget office and the office of the chief operating officer take responsibility for budget training and creating the CDM budget manual. Staff from these offices try to identify new opportunities for more local authority each year, but there has been little change in this area.

2. COMPREHENSIVE TRAINING AND INFORMATION PROGRAMS

All leadership team members, including parents and community members, need to participate in high quality training opportunities on an ongoing basis.

Model Practices

School systems that value local decision-making invest in building all team members' skills and knowledge by providing ongoing and well coordinated training opportunities. Parents and community team members are fully included to ensure a shared knowledge base. The workshops address a variety of skill levels and include training for new members, once they join the leadership teams, as well as advanced workshops for experienced members. Trainers are content and process experts who focus on building leadership skills as well as content knowledge.

Los Angeles

Ongoing training: LAUSD provides intensive, ongoing training for the co-chairs of the leadership teams, especially in management and instructional improvement. Parents and community team members are not provided this training. LAUSD expected that the leadership team co-chairs would create a system to share what they learned in their 18-month UCLA training with other school staff and parents. Once LAUSD realized that this was not happening, they created the Learning Community Program in which four external partners provide on-site support in improving instruction to an expanded group of teachers, classified staff, the principal, and at least one parent (the Instructional Transformation Teams).

LAUSD provides workshops for experienced co-chairs as well as those new to LEARN schools. Professional development activities for leadership teams co-chairs continue after the first two years of intensive training. Co-chairs can also attend monthly, day-long leadership development conferences sponsored by UCLA and LAUSD. There is also "Retro" training provided to principals and lead teachers new to LEARN schools.

Neither UCLA nor the external partners provides actual budget training, but they do stress how schools can use their resources differently to support their improvement

plans. According to LAUSD staff, UCLA initially did budget training but the content was far too advanced for what the system could deliver. The restrictions on certain funds and the complexity of school budgets did not lend themselves to the UCLA vision of building spending plans.

The principal, teachers, a classified staff member, and a parent from schools new to LEARN can attend the two day-long budget workshops. The first session provides the technical aspects of building the budget for the next year. The second conference a month later focuses on connecting site-based budgeting to student achievement. New LEARN schools receive training in year one, budget authority in year two.

Parent and community team members: Parents make up 25 to 50 percent of governance team membership, but their ability to get training and fully participate in site planning and budgeting, while encouraged by the system, is to a large degree up to their principals. Consequently, the principal is the gatekeeper, determining the flow of information, training, and data provided to parents. One principal we interviewed provides parent team members with the same information everyone else gets and holds his own budget workshops so parents can fully participate in decisions about resources. A parent leadership team member we interviewed from another school said she had to fight to see budget documents. She felt that the LAUSD administration encourages principals to share with their parent council members but it doesn't provide oversight to see if this is happening.

Trainers: School systems with site-based budgeting frequently enlist the help of system budget analysts to provide technical training; however, these analysts often have no background in how to communicate complex technical concepts and generally have no knowledge of how to work with adults. This was true for all three districts.

The LA cluster fiscal specialists provide technical training at the citywide budget workshops and also provide technical support to schools. During the early years of LEARN, UCLA staff provided some workshops on meeting facilitation for cluster fiscal specialists. Although these workshops have not continued, LAUSD staff now seek cluster fiscal specialist applicants who not only have technical knowledge and skills but also communicate and work well with people.

There are 14 full-time management trainers from the UCLA program. Two-thirds are experienced school administrators who have been successful in changing the culture of their schools/districts. One third are business people who have changed the culture of their organizations.

Chicago

Ongoing training: Prior to 1995, CPS provided minimal budget training. The district held annual workshops in three geographical areas of the city or in the 11 former sub-regions. Many of these sessions were co-led by CPS staff and members of non-profit reform groups.

Unlike leadership team members in Denver and Los Angeles, Chicago's LSC members are required by law to take training, as described above. The LSC members themselves called for mandated training because so many were tired of working with colleagues who refused to take the training they needed to make informed decisions. Chicago's mandated training includes a two-hour budget lesson that provides useful information and skills to help newly elected LSC members build and monitor their school budgets. There is no district-sponsored training for experienced LSC members.

Parents and community team members: Chicago's mandated training is much more basic and certainly not as intensive as LAUSD's. However, unlike Los Angeles, all new LSC members are included (about 60% of council members are new after each election). While much of the technical computer training (how to do on-line purchasing, for example), may be of little interest to parent and community LSC members, they are welcome to attend the computer training along with their principals and office staff.

Each year the budget department sends out twenty budget manuals to every school for the principals to hand out to the LSC members and anyone else who wants one. The department sends out a valuable and understandable newsletter in February and again in July to each principal and LSC chairperson. The newsletter contains information on changes in budget codes and in the uses of funds. Each February, two copies of the school's projected budget are sent to the school for the principal and chairperson, and the projected budget is loaded on the office computer.

CPS communicates with LSC members either by sending information to the LSC chair and principal or to every member at their schools. It is important for all LSC members to get information since each member, rather than just the LSC chairperson, must sign off on the school improvement plan and budget. The Department of Schools and Community Relations also sends out mailings to LSC members' homes; these mailings include training schedules along with many compliance directives. While a lot of information comes through the principal, and in too many cases may even stop there, LSC members are not dependent on principals for training or for information about training from the system or from outside organizations. (LSC members' home addresses are considered public information because they are publicly elected officials.)

Trainers. Since 1995, members of community and non-profit reform groups contracted by CPS (\$50 per two hour session) have provided most of the mandated six-lesson training, usually by traveling to individual schools. This year, for the first time, CPS also contracted with the City Colleges (2-year colleges) for training that was held at the seven City College sites.³

Along with the community and reform groups and City College faculty mentioned above, the six facilitators from the Department of Schools and Community Relations, the central office budget staff, and the regional budget managers also provide the mandated budget training — generally at the central office or in the regions. The facilitators are former LSC members who seem to have good rapport and good content knowledge. However, none of these trainers is provided with professional development in meeting facilitation or in training adults.

Denver

Ongoing training: The fall CDM workshop covers a number of topics including school-based budgeting. There is also a two-hour budget training workshop provided to CDM members during the spring. Training for principals is done separately in order to give them more detailed budget information. (According to a DPS administrator, principals have separate training so they won't have to ask questions in front of CDM members.) One of the principals we interviewed felt that the training was critical for new CDM members but not as useful for those with some experience. Last year the district offered two levels of training, one for new members and one for experienced CDM members. According to central staff, neither was very successful.

Parent and community team members: As in Chicago, all CDM members are included in budget workshops. Training announcements are mailed to each principal and CDM chair. The DPS web page now includes training dates and announcements as well.

The CDM handbook is updated whenever the teacher's contract changes (CDMs are part of the teacher's contract). Once a new contract is in place, the CDM/SIAC office sends out approximately 12 handbooks to each school. After CDM elections, the office sends out flyers to schools informing new CDM members that they can receive a handbook by calling the office. Denver, like Los Angeles, only sends two or three Budget Guidance Manuals to each school.

³This year (1998-99) most of the CPS training was conducted at the central offices or in the regions. The number of external groups providing on-site training was reduced. Several non-profit reform groups that provided a major share of CPS sponsored training have been in open disagreement with the administration around some key issues. These groups were cut from the program.

Trainers: In the fall, the CDM/SIAC staff provides training on CDM roles and responsibilities. Outside consultants facilitate other topics. A staff member from the budget department provides the fall and spring budget training. Denver's budget training content is basic, a good foundation for more in-depth training, and presented in a straight lecture format with time for questions and answers. While all Denver and Chicago parents and community council members are included in district-sponsored budget training, neither training program has the depth of coverage of LAUSDs' two day-long budget workshops.

3. ACCESSIBILITY OF TRAINING

High quality budget training needs to be available and accessible to all team members.

Model Practices

School districts that want to ensure that parent and community team members are able to get the training they need to make informed decisions schedule workshops at multiple times throughout the year so that everyone has a chance to participate. Workshops are held during the day, evenings and on weekends. Training is provided on-site at individual schools, in schools that can draw leadership teams from three or four nearby schools, and/or at high schools drawing leadership team members from the feeder elementary and middle schools. Sometimes, simultaneous training is provided on the same day at multiple sites across the city, with specific sites selected because of their proximity to public transportation or because they have adequate parking. Only rarely are workshops held at one central site for all participants. Materials are translated as a matter of policy, and workshops are conducted in English and in other languages.

Los Angeles

Considering that LAUSD covers over 700 square miles and has poor public transportation, no one citywide location is accessible to most parents. Not surprisingly, the parents and school staff we interviewed much preferred taking training at the cluster offices than at one citywide location. Several parents commented on how their principals routinely provide budget training during their monthly or semimonthly leadership team meetings in the spring when schools build their budgets for the next year. These school-level trainings are generally held during the day so teachers can attend, which makes them problematic for working parents.

All the training materials used for citywide budget workshops and those used by the two parent training organizations are in English and Spanish, and there are Spanish-speaking trainers as well. LAUSD also uses simultaneous translation equipment for large workshops, and sends out translators to schools for parent meetings when given enough notice. The budget manual is available only in English.

Chicago

Compared to Los Angeles parents, Chicago LSC members have shorter distances to drive (and good public transportation) to reach their regional offices; however, they much prefer on-site training where they can examine their own school budgets. Thus, much of Chicago's LSC training has been at home schools. Several LSCs from nearby neighborhoods often hold joint workshops. These are more convenient for parents and community members than traveling to the regional offices, and they give LSC members from several schools a forum to discuss common issues. LSCs that have on-site training can choose the best time of day or evening for their members.

There are many opportunities throughout the year for LSC members to take their mandated budget training — during the day, evenings or weekends. LSC members often take off-site training in teams. Although principals are not required to attend these workshops, many join their new LSC members to show support. In the early 90s, citywide conferences for LSC members sponsored by non-profit reform organizations provided child care to draw larger audiences.

The mandated training curriculum is available in five languages. Translators from various community organizations are asked to help out at different CPS workshops in the regional offices. The LSC handbook is in English and Spanish. The budget manual is only available in English.

Denver

During the spring, there are two opportunities for new principals to receive training at the central office as well as two opportunities for experienced principals to get budget training. Other CDM members have three opportunities during the same week to receive budget training at the central office.

According to central office staff, they offered training at several sites in the city a few years ago, but since the attendance was no different from when it was held centrally, they went back to conducting workshops at the central office. Training materials and the budget manual are in English only and there is no translation at the meetings. Only the CDM handbook is in Spanish and English.

4. UNDERSTANDABLE TRAINING AND MATERIALS

Workshop content and materials need to be understandable and cover a range of topics including how to align budgets with instructional plans.

Model Practices

School systems with high quality budget workshops provide all leadership team members with the knowledge and skills they need to align spending plans with instructional plans, as well as the technical skills they need to read, build and monitor their budgets. Workshop formats are a mix of lectures, case studies, hands-on computer work, and small group discussions. Districts reach out to members of outside organizations, leadership team members, and staff from local universities to jointly develop curricula, helping to insure that materials are more than compliance manuals. Training programs are evaluated annually to see how well they meet leadership teams' needs and to assess the impact of school-based budgeting and improvement planning on student outcomes.

Los Angeles

Los Angeles is very intentional about the reason the district has changed its budgeting process and moved authority to schools: to improve student achievement. The two all-day budget workshops in January and February that LAUSD conducts for schools new to LEARN directly link budget building and school improvement planning.

New LEARN schools are invited to send teams (principal, one parent, one or two teachers and a classified staff member) to the two related budget conferences. At the first workshop, cluster fiscal specialists and School Reform office staff work on a case study with three or four teams to help them learn to calculate school revenues, determine actual salary costs, and build an expenditure plan. The principals are asked to bring their lap top computers so each team can work on its own school's budget, using a computer program developed by LAUSD. Using the budget manual, which is both comprehensive and complicated, as well as various printouts containing school profiles and staffing information, the school teams calculate their expected revenues and then begin to create their school's LEARN budget for next year. (The LEARN budget includes basic funds and some special state funds. It does not include Federal Title I, special education or other categorical funds).

Once the conference participants calculate their schools' revenues, they begin to practice creating their expenditure plans. (Los Angeles schools must use actual rather than average compensation.) LEARN schools can carry over unspent funds to the next school

year. Schools may budget 30% of any expected surplus in their next year's budget; the remaining surplus is allocated in late fall.

The focus of the second conference one month later is on connecting site-based budgeting with student achievement. The breakout sessions include linking budgets to student achievement, the role of parents in budgeting, the role of classified staff in budgeting, as well as technical workshops on developing budgets, simplifying budget displays, and accounts payable. There is also a "make-up" conference in March for those who missed the January and February workshops.

Each year the school budget is built completely from zero, since revenues are based on per-student allocations (\$3,000 plus per student) rather than on staff allocations (1 teacher per 29 students) as in Chicago and Denver. The per-pupil allocations are multiplied against actual attendance rather than enrollment; the higher a school's attendance, the more money it gets. It is important for principals and the other leadership team members to know how to calculate the school's revenues to make sure that the lump sum amount that the school gets is correct.

Although the LEARN principals have laptops and a computer program to use as they build their budgets, the program is simply a tool to help calculate revenues, to spread expenditures and to provide reports for the school leadership teams. The program and lap tops are not connected to the system's main computer. After the leadership team approves the budget, the principal meets with the fiscal specialist to go over the budget and then a cluster staff member manually enters the budget into the system's computer.

Material Development: Budget training materials are developed by budget and cluster staff and by School Reform staff. The Budget Task Force also provides input into material development. LAUSD's budget manual contains an enormous amount of information that schools need to build their budgets and is also an essential document used in budget training. Each principal gets two copies.

Evaluation: LAUSD spends one million dollars a year to evaluate LEARN training and to evaluate the impact of LEARN on student achievement. Outside consultants are hired to carry out the evaluations. Internally, the School Reform staff and cluster budget leaders review the evaluation forms that trainees fill out at the end of the conferences and continuously upgrade and improve their training programs.

Chicago

The mandated budget training provides limited connections between school improvement and budget planning. However, the CPS worksheets that schools use when they create their school improvement goals do tie resources directly to instruction.

Every LSC member gets a notebook with the six-lesson mandated curriculum. Using a straight lecture format, the trainers go over the lessons in the curriculum. The contents are accessible to parents and community members and provide the basic knowledge that LSC members need to participate in budget decisions. Unlike leadership teams in Los Angeles and Denver, LSCs have authority over all school funds, including Federal Title I, bilingual funds, and state categorical grants. Knowing what makes a school eligible for these funds and what the money can be used for is an important part of Chicago's budget training. LSC members also get a separate budget manual that is not used for training.

When schools create their new budgets, they build them from their present year budgeted expenditures; there are no reports showing actual spending. Because the budget formats are difficult to read, part of the training time is consumed with teaching LSC members how to decode their budgets. This task becomes easier when training is done on-site and workshop facilitators can use the school's actual budget printout rather than a generic budget. Once the LSC approves the budget, it is entered into the school's office computer and sent electronically to the central budget office.

Material Development: From the inception of LSCs, there has been good collaboration between CPS budget staff and outside non-profit reform groups. Together they developed the early LSC handbooks and budget manuals, training curricula and materials, and co-led CPS budget training workshops. The first six mandated lessons were jointly developed by experienced trainers from non-profit reform groups, staff from area universities, and CPS staff. The curriculum, LSC handbooks, and the budget manual are given to each LSC member.

Evaluation: The district has not formally evaluated Chicago's mandated training program.

Denver

The fall budget training includes an overview of the system's budget and includes how to convert allocated dollars into positions and vice versa. Elementary schools are allocated one teaching position for every 25 students. However the union contract calls for class size maximums of 35, with paraprofessional assistance (teacher aides). The CDMs can choose to have class sizes larger than 25 and convert the extra teaching

position(s) to a different type of position. They can also use the money to pay for professional development or non-personnel items. The school can also convert funds from non-staff items and use the money to purchase full or part-time positions.

The curriculum for the spring budget training is the Budget Guidance Manual. The trainer essentially walks people through the manual which includes every school's enrollment projections and revenue formulas. Individual school enrollment figures for basic staff, special education staff, and other categorical program staff appear in different parts of the manual, which complicates the task of getting a complete picture of school revenues. However, the separate principals-only workshop provides all these numbers in one chart.

After the lecture, there is time for questions and answers. According to one CDM member we interviewed, the budget training is much better than the general CDM training since the central office is very clear on the intent of the workshop. They don't intend this training to be about school improvement planning; instead, it focuses on budgets, forms, rules, and how much money the school gets. A chapter on school improvement planning is contained within the Budget Guidance Manual, but is not covered in the budget training,

Unlike LA and Chicago, Denver's CDMs see their prior year actual spending as they build their budgets. This is an important tool since it allows CDMs to examine their spending patterns before they create a new spending plan. In building their 1999 budget, for example, CDM members have their school's 1997 actuals, the 1998 adjusted budget and their 1998 year-to-date expenditures.

As in Chicago, CDM-approved budgets are entered into the office computer and electronically sent to the budget office.

Material Development: Denver's CDM handbook and Budget Manual were jointly developed by DPS and outside organizations.

Evaluation: DPS contracted with an external evaluator to study the effectiveness of, and stakeholder satisfaction with, Collaborative Decision-Making. The study was published in February, 1999.

5. EXTERNAL TRAINING AND TECHNICAL ASSISTANCE

While the primary responsibility for training should rest with the school system at the central or district level, utilizing outside organizations to provide budget training, especially for parent and community team members, provides value to the teams as well as to the system.

Model Practices

External organizations, including non-profit reform groups, neighborhood-based community organizations, and universities, customize their workshops to fit the needs of particular neighborhoods or schools and provide workshops on-site. Since many trainers are from the neighborhood, they provide an empowerment dimension that is not always easy or appropriate for central office staff to encourage. School systems see them as valuable resources not only in augmenting the district's training staff, but also in providing considerable experience working with parents and community members.

Los Angeles

Los Angeles and Chicago are stark contrasts in how external organizations work with leadership councils. Los Angeles contracts with UCLA and four external citywide organizations to provide intensive organizational and instructional development, primarily to school staff leaders, including the governance council co-chairs. The training is ongoing, extending over several years. LAUSD selects the four external organizations and assigns them to the LEARN schools. School staff members, including those not on governance councils, are the focus of the training.

Chicago

The district does not provide a far-reaching external training and development program, compared to Los Angeles. Much of the training and technical assistance beyond the basic mandated lessons comes at no or at low cost from external organizations supported by foundations and to a lesser extent, by the business community. LSCs select the external groups they work with. Many of these community-based and citywide non-profit groups focus on training parents and community members who are on LSCs or are potential LSC members.

Some of the initial outpouring of training and technical assistance in Chicago came about because of the existence of so many community organizations in the city; some of it came from necessity — the administration was not geared up to provide the support LSCs needed.⁴ CPS allocated \$1,500 to each council in 1989 to be used for on-site

⁴Even before the first LSCs were elected, there was a huge outpouring of support to encourage people to run for councils and then to provide them with free training once they were elected. A few examples:

- a. Retired executives from the Executive Service Corps worked one-on-one with principals and LSC chairs on management issues.
- b. CPAs for the Public Interest solicited CPAs to provide one-on-one coaching for office staff and principals.

training or off-site workshops. The money was a great catalyst; councils made good use of these funds in supporting planning retreats and workshops. CPS now allocates \$400 a year to LSCs for monthly meeting expenses and training. LSCs can use their \$400, find free training, or use their discretionary funds (state categorical grants and Federal Title I) to contract with non-profit reform groups, community organizations, and universities.

LSCs wanting more than basic budget training need to seek outside sources. More advanced training typically covers linking resources to school improvement plans; using spending choices and the flexibility of some funds to support improvement plans; and understanding the expenditure reports to monitor spending.

In Chicago, the most effective outside budget trainers have been present or past LSC members. Principals and teachers working with their peers have provided an effective technical assistance model.

Denver

Center for Quality Schools, a non-profit organization created by a Denver-based foundation, was influential in developing the initial budget training for CDMs. DPS also helped fund the organization until the district created the CDM/SIAC office in 1996. The present DPS administration has not encouraged outside groups to provide budget training to CDMs. Consequently, the only budget training that CDM members get is the twice yearly central office workshops described above.

c. Volunteer lawyers, recruited through another advocacy organization, helped LSC members avoid illegalities when selecting principals and provided other legal support.

d. A business-supported reform organization created six videos and six accompanying workbooks for LSC training.

III. LESSONS FOR NEW YORK CITY

Throughout this study, we asked those we interviewed what advice they would give to those responsible for developing budget training and support programs in New York, based on the lessons they learned from their own experiences. We wanted to share their advice as well as the lessons we have learned from our 15 years' experience in monitoring systemwide budgets, creating budget training materials and workbooks, and developing and conducting budget workshops for school leadership team members, parents and school staff.

LESSON 1. THE TASK IS ENORMOUS.

The central and regional/cluster staff from the three districts were almost unanimous in their advice to their peers in New York — don't underestimate the enormity of this task. Creating high quality training and necessary supports is an immense undertaking that requires a substantial commitment of money, time and personnel to create the institutional structures, integration and feedback mechanisms needed to monitor and improve Performance Driven Budgeting and to provide high quality, ongoing and accessible training and technical assistance. This commitment has to be long term. Otherwise, Performance Driven Budgeting becomes just another program, disconnected from systemwide reform efforts.

LESSON 2. GOOD DECISION-MAKING REQUIRES GOOD INFORMATION.

School decision-making teams need understandable and useful school-based information when they build their budgets. Teams need clearly presented reports on present and prior year actual spending, staffing reports with information listing all filled and vacant school positions, and budget data on all school programs from all funding sources. Training time should not be wasted teaching people to decode such reports. As new, integrated information systems are put in place, it's important to get frequent school-level feedback to assure that the information school staff and leadership teams receive is understandable and useful.

LESSON 3. BUDGET DEVELOPMENT AND APPROVAL TAKES TIME.

School leaders need adequate time to create their budgets. Chicago's schools receive their proposed budget allocations on-line in mid-February and a completed budget, voted on by the LSC, is electronically submitted by the end of April. It not only takes time to create the budget and align it with the school improvement plan, but school leadership teams need sufficient time to meet, discuss, and fully understand what they will be voting on.

LESSON 4. TRAINING FOR ALL PARENT AND COMMUNITY TEAM MEMBERS IS CRITICAL

This important task should not be left to principals or be dependent upon others sharing what they have learned in workshops. Trickle-down training does not work. What is required is a clear structure for parent and community members' training and a well-developed system for sharing information with them.

We strongly believe in the ability of parents and community leadership team members to participate as equal partners in creating and monitoring school budgets. We have seen this capacity unfold over the last ten years and our observations are backed up by research. In a 1997 study of Local School Councils sponsored by the Consortium on Chicago School Research, researchers posed two questions: 1) were LSC parent and community members knowledgeable and qualified people — people who could govern schools? and 2) were LSCs viable governance institutions? They found the answer to both questions is "Yes."⁵

In this study, LSC members were surveyed just prior to the change in law that mandated their training. Even then, 58 percent agreed or strongly agreed that they could explain the technical details of their budgets and 83 percent said that the LSC reviews expenditures regularly. While some of the LSC members' ability to understand their budgets is linked to the training they received, we also believe that having considerable authority over several large pots of discretionary funds (State Chapter 1 and Federal Title I) can be a great catalyst for learning.

The Los Angeles parents we interviewed felt that training parents was not a high enough priority in their district and that mandated training might be a good idea. Mandating training can eliminate the role of principals as gate keepers and assure that everyone has access to at least a basic curriculum. However, it may also lead to minimal district effort to provide high quality training. Whether or not training is mandated, there are steps New York can take to help assure that parent and community team members have opportunities to increase their skills and knowledge:

- 1) Send every team member, not just the principal and team chairperson, all relevant communications, training curricula, budget manuals or handbooks, and training schedules.
- 2) Provide and support opportunities for team members to learn from each other. During the early years of Chicago's reform, LSC members got some of the best budget tips and strategies from their peers during informal discussions at multi-school and citywide workshops. However, only a small minority of LSC

⁵*Charting Reform: LSCs — Local Leadership at Work*, Consortium on Chicago School Research, December 1997.

members could attend these meetings. We are enthusiastic about the web-based communications that NYU has created because the need for leadership team members to communicate with each other, to find out about scheduled training or budget deadlines, to share issues and solutions, and to get common questions answered cannot be overstated.

- 3) Allocate funds to each leadership team so they can purchase training, as was successfully done in Chicago.

LESSON 5. TRAINERS NEED TO HELP SCHOOL LEADERSHIP TEAMS REVIEW ALL THEIR SCHOOLS' RESOURCES.

When leadership teams create their budget for the following year, they should reassess how they allocate all resources, including basic personnel and time. Budget trainers typically spend little time in discussing how funds for basic instructional personnel are used, especially when schools have considerable discretionary funds to allocate. Council members feel that since these basic funds are contractually tied to positions, people have no choice in how they are used. Yet these dollars constitute the major portions of their schools' budgets. School faculties can create common planning periods without extra costs by changing when students come to school, and by "banking time" so staff can spend several hours in planning and staff development. Multi-age grouping and scheduling large blocks of time for reading are ways schools use resources and time differently to improve teaching and learning. These are resource issues as well as instructional issues and should be part of school budget planning and training.

CONCLUSION

In this study we argue that successful training for school-based budgeting requires strong institutional support; inclusive and consistent high quality training; materials that are understandable and accessible to diverse language users; and incorporation of the expertise of external training providers into ongoing programs.

New York City's Chancellor Crew has articulated a clear vision of Performance Driven Budgeting that links local control of resources to improved student achievement. Having just begun its training efforts, the New York City school system is in an excellent position to learn from the experiences of Los Angeles, Chicago and Denver. New York has the opportunity to integrate the key practices we identify in this study into a comprehensive, high quality training program that will support successful implementation of Performance Driven Budgeting in all New York City schools.



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